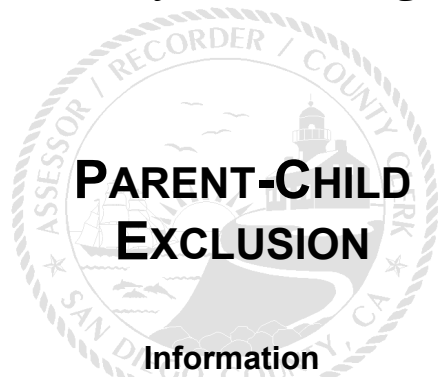


Gregory J. Smith
Assessor / Recorder / Clerk
County of San Diego



1600 Pacific Highway, Room 103
San Diego, CA 92101
(619) 531-5848

Branch Office Locations to Serve You

CHULA VISTA
590 Third Avenue
Chula Vista, CA 91910
(619) 498-2200

EL CAJON
200 S. Magnolia Avenue
El Cajon, CA 92020
(619) 401-5700

KEARNY MESA
9225 Clairemont Mesa Blvd.
San Diego, CA 92123
(858) 505-6262

SAN MARCOS
334 Via Vera Cruz, Ste. 150
San Marcos, CA 92069
(760) 940-6868

– OFFICE HOURS –
8:00 a.m. – 5:00 p.m. Monday thru Friday
9:00 a.m. – 3:00 p.m. Saturday (Kearny Mesa Only)

www.sdarcc.com

What is a Parent-Child Exclusion?

The Parent-Child Exclusion applies to any real property purchases or transfers between parents and children, which occurred on or after November 6, 1986.

What is the purpose and benefit of the Parent-Child Exclusion?

This exclusion prevents an increase in property taxes when real property is transferred between parents and their children.

What is the definition of a “child” for the purpose of this exclusion?

Natural children, children adopted before the age of 18, stepchildren (as long as the parents are still married), and sons- and daughters-in-law are considered children under this exclusion program.

What type of property can be transferred without a tax increase?

A parent may transfer their principal residence and any other property valued up to \$1,000,000 to their children. The properties will not be reappraised providing that the proper Claim for Exclusion from Reappraisal form is filed and approved by the Assessor’s Office.

What is a Grandparent-Grandchild Exclusion?

California State law allows property to be excluded from reappraisal when transferred between grandparent and grandchild, providing that a Claim for Exclusion from Reappraisal form is filed and approved by the Assessor’s Office. This exclusion is available **only** when both parents of the eligible grandchildren are deceased.

Can a transfer of real property between grandparent and grandchild qualify for this exclusion if the parent disclaims any interest in the grandparent’s property?

No. The parent must actually be deceased prior to the transfer to the grandchildren.

Will I get the exclusion automatically?

No. A Claim for Exclusion from Reappraisal form must be completed and filed with the Assessor’s Office. Failure to file a claim will result in a reassessment of the property. You will receive the exclusion after your claim is approved.

When must the claim for the exclusion be filed?

To prevent a supplemental tax bill from being issued, a claim must be filed as soon as possible after the transfer or date of death.

Is there a filing deadline for this exclusion?

A claim must be filed within three years of the date of transfer or death, or prior to the sale or transfer to a third party. In addition, a claim may be filed within six months after the mailing date of the supplemental notice or escape assessment.

Is there anything I can do after the deadline?

If a claim is filed after the legal deadline, the exclusion may be granted but no refunds will be issued for prior years. It will be granted for the year the claim is filed as long as the property has not been sold to a third party.

We have already sold the property we inherited from our parents. May we still file a claim?

Yes. A reappraisal will occur for the period between the date of the death and the sale to the third party. A supplemental bill will be issued unless the heirs or beneficiaries apply and qualify for this exclusion.

Can children apply for a Parent-Child Exclusion if their parents have also applied for a Reappraisal Exclusion for Seniors on the same property?

No. The Reappraisal Exclusion for Seniors is a one-time only tax benefit enabling senior citizens (55 years or older) to sell their residence and transfer its low value to a replacement home. Since the sold property **must be reappraised**, the children would receive no benefit from a Parent-Child Exclusion.

Can property held by my parents in a trust qualify for this exclusion?

Yes. An inheritance or transfer to children within a trust may qualify for this exclusion. The trust documents must be provided with the claim.

Can property held by a corporation or partnership qualify?

No. In order to qualify, the transfer of property must be between individuals, not individuals and a corporation or partnership.

The claim form asks for information about the transferor and transferee. Who is the transferor and who is the transferee?

The transferor is the previous owner (grantor, decedent, or trustor). The transferee is the new owner (grantee, heir, or beneficiary).

Do all children (transferees) need to sign the claim form?

No, one signature is sufficient, however, all transferees must be listed. A photocopied signature is not acceptable.

How do I obtain a Parent-Child or Grandparent-Grandchild Exclusion claim form?

You may request an exclusion claim form by calling our office at (619) 531-5848, or by downloading the form from our web site at **www.sdarcc.com**. If you have any additional questions, please contact the Change in Ownership Unit at (619) 531-5848 or write to us at:

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